# NFT Wrapper audit report

# 1 Summary

There were several high and medium severity bugs found during the audit. The contracts are **not** ready to be deployed to production and require additional changes.

The overall code is well-commented and easy to read, however, the code style needs more <u>attention</u>.

## 2 Structure

- Informational The issue has no impact on the contract's ability to operate.
- Low The issue has minimal impact on the contract's ability to operate.
- **Medium** The issue affects the ability of the contract to operate in a way that doesn't significantly hinder its behavior.
- **High** The issue affects the ability of the contract to compile or operate in a significant way.
- **Critical** The issue affects the contract in such a way that funds may be lost, allocated incorrectly, or otherwise result in a significant loss.

# 3 Analysis

### Vault721ERM\_V01.sol

**High:** The value is increased instead of decreasing.

**Recommendation:** Decrease the value instead.

High: An admin can accidentally set up an undesired role for a user.

```
function setRoles(address[] calldata users, bool enableRoles, bool
    adminFlag, bool depositorFlag, bool withdrawerFlag) external {
        . . . .

        uint256 rolesFlag;
        if (depositorFlag) {
                 rolesFlag |= R_CAN_DEPOSIT;
        }
        if (withdrawerFlag) {
                       rolesFlag |= R_CAN_WITHDRAW;
        }
        if (adminFlag) {
                       rolesFlag |= R_IS_ADMIN;
        }
        address user;
        uint256 count = users.length;
```

```
uint256 i;
for (; i < count; i ++) {
    user = users[i];
    if (enableRoles) {
        _addressRoles[user] |= rolesFlag;
    } else {
        _addressRoles[user] &= ~rolesFlag;
    }
}
....
}</pre>
```

For instance, an admin wants to **disable** *depositor* and *withdrawer* roles for a set of users. To achieve that, an admin would call this function like so:

```
setRoles(someUsers, false, false, true, true)
```

But then, he would unintentionally set up an *admin* role for the given set of users.

adminFlag is false, so R\_IS\_ADMIN flag would not be set inside rolesFlag. In the loop, because enableRoles is false, \_addressRoles[user] would receive negated rolesFlag, but because we did not set adminFlag there, a user would become an admin.

**Recommendation:** rewrite a function to make it more transparent.

**Medium:** The changeContractAddress function doesn't check if newContract already added to the vault.

**Recommendation:** apply \_coreAddressIndices[newContract] == 0 check

**Low:** Some gas could be saved if \_depositor kept preserved.

```
_depositor = address(0);
...
}
```

The sstore operation costs 20k gas to change the value from zero to non-zero and 5k gas to keep the value unchanged or zero. 15k gas refund is given for changing a value from non-zero to zero. That means one will pay 20k + 5k - 15k = 10k gas with the current implementation. If the contract omitted nullification, then one would pay 20k gas the first time, but only 5k gas subsequently, making the overall price cheaper (see page 25 here).

**Recommendation:** delete the nullification.

Low: Double storage read (1).

```
function canDepositToken(address tokenContract, uint256 tokenId) public
view returns (bool) {
    // Get the filtering data for this contract. If there is no
    filtering data, then there is no restriction on filtering.
    uint256[] storage filteringDataStart =
        _filteringDataStart[tokenContract];

    if (filteringDataStart.length == 0) {
        return true;
    }

    // Do the binary search.
    uint256 low;
    uint256 high = filteringDataStart.length - 1;
    . . . .
}
```

Recommendation: save the storage variable to a memory one.

### Low: Double storage read (2).

```
function withdrawTokenAtIndex(address destination, uint256 index)
external {
      require(
            _status == S_NOT_ENTERED
            && (
                  ((_roleRestrictions & WL_RESTRICT_WITHDRAWALS) !=
                  WL_RESTRICT_WITHDRAWALS)
                  || ((_addressRoles[msg.sender] & R_CAN_WITHDRAW) ==
                  R_CAN_WITHDRAW)
            )
            && destination != address(0)
            && destination != address(this)
            && _coreAddressIndices[destination] == 0
            && _tokenIds.length > 0
            , "Invalid parameters");
      _status = S_ENTERED;
      _withdrawToken(destination, index);
      . . .
}
function withdrawTokens(address destination, uint256[] calldata
tokenIds, address[] calldata tokenContracts) external {
      for (uint256 i; i < count; i ++) {
            tokenContract = tokenContracts[i];
            tokenId = tokenIds[i];
            uint256 contractIndex = _coreAddressIndices[tokenContract];
            uint256 tokenIndex = _indices[(contractIndex <<</pre>
            CONTRACT_INDEX_OFFSET) | tokenId];
            if (
                  contractIndex == 0 // Contract is not allowed in this
                  vault.
                  || tokenIndex == 0 // Token is not in this vault.
                  || _tokenContracts[--tokenIndex] != tokenContract
                  || _tokenIds[tokenIndex] != tokenIds[i]
```

```
continue;
}
_withdrawToken(destination, tokenIndex);
withdrawnCount++;
}

function _withdrawToken(address destination, uint256 index) internal {
    IERC721 tokenContract = IERC721(_tokenContracts[index]);
    uint256 tokenId = _tokenIds[index];
    uint256 contractIndex =
    _coreAddressIndices[address(tokenContract)];
    . . . .
}
```

**Recommendation:** Rewrite functions to optimize gs cost.

### Vault1155ERM\_V01.sol

High: An admin can accidentally set up an undesired role for a user.

```
---== Same as in Vault721ERM_Vo1.sol. ===----
```

High: High possibility of overflow.

The deposit function is super unsafe to execute since the tokenCounts is unbounded and SafeMath is not used whatsoever. The snipped highlights code with the most dangerous places.

Recommendation: use SafeMath at least in the deposit function.

**Medium:** The changeContractAddress function doesn't check if newContract already added to the vault.

```
---== Same as in Vault721ERM_V01.sol. ===----
```

Low: Double storage read (1).

---=== Same as in Vault721ERM\_V01.sol. ===----

Low: Double storage read (2).

---=== Same as in Vault721ERM\_V01.sol. ===----

# 4 Appendix

As the comments in the contracts state, there will be problems with the contracts that do not start NFTs count from zero. The presented data structure does not support NFTs with ordinal numbers > 2^60 and due to that fact, vaulted contracts would require extra attention before whitelisting them.